A2500-2

Paper Paperboard & Wood Pulp

MONTHLY STATISTICAL SUMMARY - Vol. 63 - No. 4 APRIL, 1985

PAPER AND PAPERBOARD PRODUCTION: FIRST QUARTER 1985

Production of paper and paperboard in the first quarter of 1985, adjusted for seasonal and workday variations, was at an annual rate of 68.1 million tons, about the same as the rate of the previous quarter and 0.3% below that of the year-ago quarter.

Although the average is the same as in the preceding quarter, the trend of paper and paperboard production during the first quarter of 1985 was clearly downward, moving from a January 1985 trend position (average of the current and previous month's seasonally adjusted rates) of 69.5 million tons per year to 67.3 million tons per year in March. Data available for the first two weeks of April indicate a continuation of the downtrend, with trend position estimated at 66 million tons per year.

Paperboard: The decline was largely concentrated in paperboard. The first quarter's seasonally adjusted rate of production averaged 33.6 million tons per year, 1.2% below the year-ago quarter and 0.8% below that of the previous quarter.

The weakness in paperboard production was largely limited to the "All Other" grades and production for export. Production of both containerboard and boxboard for domestic use in that quarter was slightly above the comparable year-ago rates. Production of paperboard for export, however, fell sharply, with the first quarter 1985 total some 20% below that of the year-earlier quarter. Production of the "All Other" grades of paperboard for domestic use was down 6.1%, reflecting a 15% decline in production of gypsum wallboard facings, a 4.6% decline in production of tube, can and drum stock made from recyclable materials and an 11% decline in production of can, drum and core stock made from kraft paperboard.

The stability in containerboard production for domestic use despite a decline of 6.1% in shipments of corrugated shipping containers, resulted in an increase in inventories of containerboard at both mills and boxplants. Inventories at both mills and boxplants as of April 1, 1985, amounted to 2.99 million tons, equivalent to 8.1 weeks of supply compared with

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2.96 million tons on March 1, equivalent to 7.9 weeks of supply. A particularly high level of inventories at containerboard mills, reported at 562 thousand tons, accounts for the advance.

These relatively high mill inventory levels, resulted in rather widespread shutdowns of kraft linerboard machines during April. Published reports from individual companies indicate that many of these machines will be back into operation before the end of April.

Production of boxboard for domestic use in the first quarter of 1985 was 0.4% ahead of the comparable year-ago total. Total folding boxboard production in that period was 1.0% above that of the year-ago quarter, with production for export up 2.0% and production for domestic use up 1.0%. A somewhat different pattern was evident in the production of milk carton and food service board: the total was down 4.3%, with production for export down 15% and production for domestic use down 1.3%.

Paper : Production of paper held up fairly well in the first quarter of 1985, and preliminary data indicate some strengthening in production in April. Total production for the first quarter of 1985 was at the seasonally adjusted rate of 34.5 million tons per year, 0.6% above that of both the year-ago and the previous quarter's rate. Production of the printing paper grades also followed a flat trend during the first three months of this year, with the total 0.8% above its year-ago level. Total incoming orders for coated papers and uncoated groundwood papers was 7% below the shipments total, bringing the unfilled order backlog for these two grades 22% below their year-end 1984 total and 17% below the year-ago totals. (These data are shown in the table on page 3.) New orders for uncoated free sheet papers in the first quarter of 1985 were above the shipments total, bringing the unfilled order backlog up 6% from the 1984 year-end level, but still 28% below that of the end of the first quarter of 1984. Data available for the first two weeks of April indicate a turn-around in the rate of incoming orders for uncoated groundwood paper and a further increase in orders for uncoated free sheet paper. Coated paper new orders held steady.

Part of the relative strength in the output of uncoated free sheet papers may have been a reflection of a declining trend in imports of these grades. In the first two months of 1985 (latest available data), imports of uncoated free sheet paper were at an annual rate of 301 thousand tons, 40% below that of the year-earlier period and 37% below the average rate of these imports for all of 1984. However, imports of coated

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PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS
(Thousands of Short Tons)

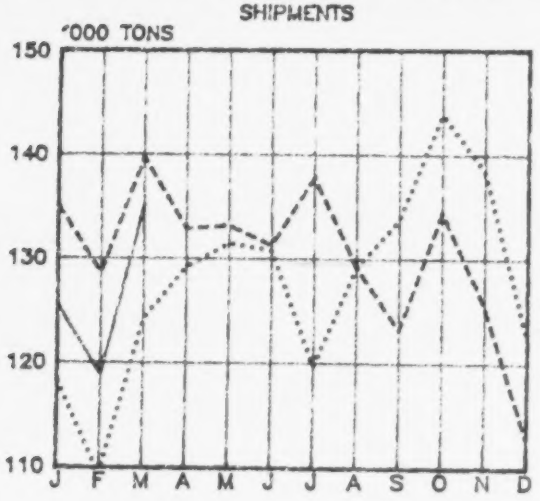
	YEAR 1983	YEAR 1984	DEC. 1984	JAN. 1985	FEB. 1985	MAR. 1985	Annual Rate Y-T-D 1985	% Change From same Period Last Year
PAPER								
Newsprint - Production	5167	5539	429	469	447	489	5618	1.0
- Shipments	5153	5584	431	457	446	477	5518	-2.2
Printing & Writing sum	17387	18406	1427	1600	1484	1628	18845	0.8
Groundwood Paper - Shipments	1531	1564	113	125	119	135	1518	-5.9
- New Orders	1581	1599	124	139	101	124	1456	-14.8
-Unfilled Orders	145	164	164	161	140	130	130	-17.1
Coated Papers - Shipments	5696	6227	504	561	498	535	6377	2.8
- New Orders	5864	6171	516	553	454	468	5898	-6.3
- Unfilled Orders	513	587	587	560	520	452	452	-17.1
Unctd Free Sheet - Shipments	8767	9148	693	794	751	820	9461	0.5
- New Orders	9076	8879	693	778	764	855	9584	3.9
- Unfilled Orders	687	431	431	413	425	456	456	-27.8
Thin Papers - Shipments	328	338	25	29	28	33	361	2.9
Cotton Fiber Paper - Shipments	131	142	11	12	11	11	134	-9.0
Bleached Bristols - Production	934	989	81	78	77	93	994	2.1
Tissue Paper - Production	4789	4921	420	416	392	430	4953	1.7
Total Packaging & Other Paper	5497	5557	387	456	433	455	5379	-8.4
Unbl. Kraft Paper - Shipments	3666	3667	256	302	293	296	3564	-7.1
Other Paper - Production	1832	1889	131	154	140	160	1815	-10.9
TOTAL PAPER-Production-Unadj. *	32840	34422	2663	2941	2757	3001	34794	-0.6
-Production-S.A. *			2848	2955	2877	2791	34488	0.6
PAPERBOARD - PRODUCTION								
Solid Wood Pulp Furnish	24779	26401	1928	2152	2002	2284	25749	-2.1
Unbl. Kraft Linerboard (1)	15001	16032	1154	1316	1193	1401	15642	-1.5
Production for Export	2281	1975	126	110	130	138	1509	-24.0
Other Unbl. Kraft Paperboard	1121	1147	77	90	90	103	1132	-3.8
Semichemical Paperboard	4731	5162	392	417	400	430	4991	-3.4
Production for Export	193	151	11	9	19	11	154	-3.1
Solid Bleached Paperboard	3926	4059	305	328	318	350	3984	-2.2
Production for Export	515	470	37	41	29	40	440	-12.3
Recycled Paperboard	7398	7858	567	686	613	693	7967	-3.1
Production for Export	24	21	4	2	2	1	17	6.9
TOTAL PAPERBOARD-Prod.-Unadj. *	32177	34259	2495	2837	2615	2976	33716	-2.4
- Containerboard Prod.(Dom. Use)	19173	20930	1538	1776	1591	1855	20890	0.1
- Boxboard Prod.(Dom. Use) (2)	5551	5908	435	503	484	524	6043	0.4
- All Other P'bd Prod.(D.U.) (2)	4441	4804	344	397	361	408	4663	-6.1
- Total Paperbd Prod. for Export	3012	2617	178	161	179	190	2120	-20.3
TOTAL PAPERBOARD PROD.- S.A. *			2919	2861	2764	2779	33618	-1.2
TOTAL PAPER AND PAPERBOARD								
Production - actual *	65017	68681	5158	5778	5372	5978	68510	-1.5
Production - S.A. *			5766	5816	5640	5570	68106	-0.3

(1)Includes all exports of kraft paperboard.
(2)Data for unbl. kraft folding boxboard incl. in All Other P'bd.
* NOTE: Year 1984 contains one more day than year 1983.

P Preliminary
R Revised
S.A. Seasonally Adjusted

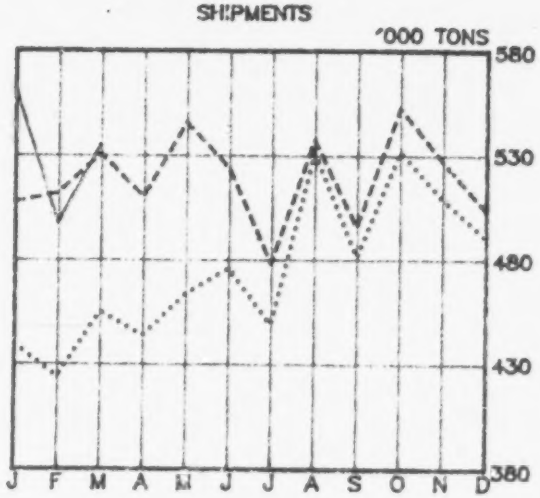
GROUNDWOOD PAPER, UNCOATED

SHIPMENTS



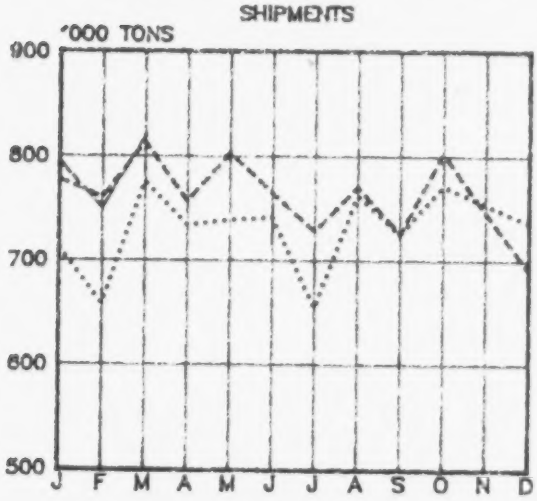
COATED PAPER

SHIPMENTS



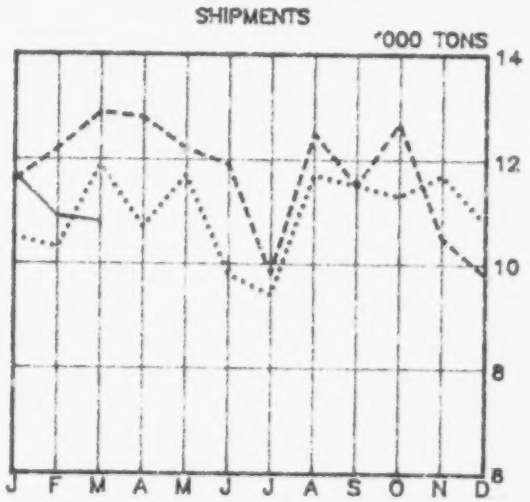
UNCOATED FREE SHEET PAPERS

SHIPMENTS



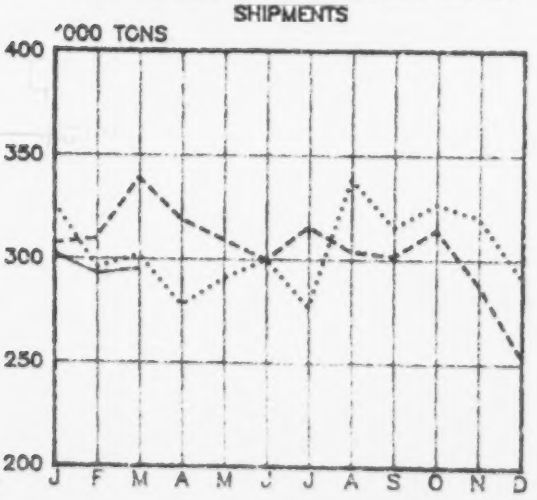
COTTON FIBER PAPER

SHIPMENTS



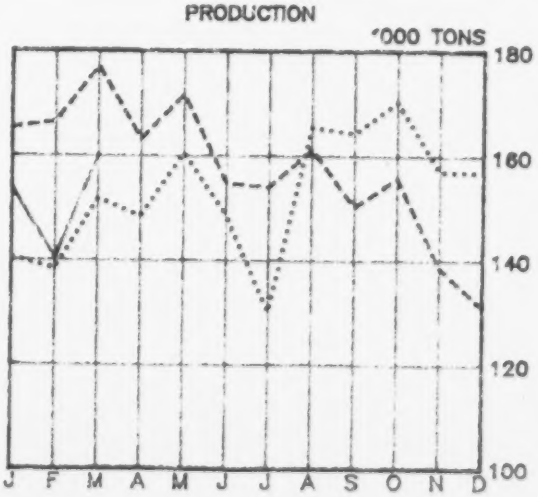
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1983 ····· 1984 - - - - - 1985 ———

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1983	YEAR 1984	NOV 1984	DEC 1984	JAN 1985 R	FEB 1985 P	Annual Rate Y-T-D 1985	% Change from same Period Last Year
TOTAL WOOD PULP								
Total Wood Pulp - Production	52537	55549	4496	4340	4595	4359	53723	-0.8
- Imports	4093	4490	415	416	313	380	4159	-8.5
- Exports	3644	3594	274	311	301	223	3140	-9.3
- New Supply	52986	56445	4637	4444	4607	4517	54742	-0.9
Dissolving Pulp - Production	1261	1206	101	87	86	118	1223	0.2
- Imports	192	161	8	18	6	22	167	3.6
- Exports	647	595	28	65	53	39	554	2.1
- New Supply	806	772	81	40	39	101	835	-0.3
Paper Grades - Production	42358	44709	3632	3476	3716	3485	43204	-0.5
Chemical Pulp - Imports	3706	4023	359	361	300	333	3797	-7.4
- Exports	2958	2945	241	242	245	179	2545	-12.1
- New Supply	43106	45787	3750	3595	3770	3639	44456	-0.4
Groundwood and - Production	5067	5534	436	447	452	432	5301	-3.5
Thermo-Mech. - Imports	195	306	48	37	7	26	196	-30.7
- Exports	40	54	4	4	2	5	41	74.5
- New Supply	5222	5786	480	480	457	452	5455	-5.2
Semi-Chemical - Production	3851	4100	326	330	341	325	3995	-1.1
- Imports			- - - - - Included in Groundwood Pulp - - - - -					
- Exports								
- New Supply	3851	4100	326	330	341	325	3995	-1.1
MARKET WOOD PULP								
Total Market - Production	6478	6891	585	548	579	588	7004	5.7
Wood Pulp - Imports	2945	3256	283	311	252	232	2902	-4.2
- Exports	3421	3511	253	319	223	301	3145	-10.7
- New Supply	6002	6635	615	540	608	519	6761	10.3
Dissolving Pulp - Production	1260	1197	101	86	86	118	1225	0.6
- Imports	210	204	11	20	10	21	185	-6.2
- Exports	698	690	52	69	27	64	547	-7.9
- New Supply	772	710	60	38	69	75	863	5.1
Paper Grades - Production	5206	5680	483	461	492	469	5765	6.8
Chemical Pulp - Imports	2698	2952	248	272	238	209	2680	-2.5
- Exports	2723	2821	201	250	196	237	2598	-11.2
- New Supply	5181	5812	530	482	534	441	5848	12.0
Groundwood Pulp - Production	12	13	1	1	1	1	14	50.0
and All Other - Imports	38	100	24	19	4	2	36	-55.6
- Exports	0	0	0	0	0	0	1	0.0
- New Supply	49	113	25	20	5	3	50	-44.7

SOURCES: Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp Division, Pulp, Materials and Technology Group, API. Total Wood Pulp Imports & Exports - Department of Commerce.

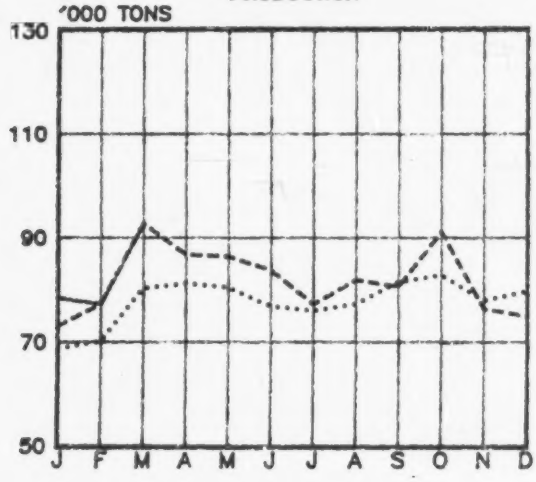
FIBROUS RAW MATERIALS
(Thousands of tons)

CONSUMPTION AT PAPER & PAPERBOARD MILLS								
Total	66130	70530	5737	5827	5820 R	5455 P	67653	-2.4
Total Wood Pulp	51434	54641	4436	4314	4466	4249	52287	-2.8
Waste Paper	14696	15889	1300	1513	1355	1206	15366	-1.3
INVENTORIES								
Own Use Wood Pulp at Pulp Mills	170	174	161	174	165	171	171	19.0
Market Pulp at Pulp Mills	384	585	591	585	666	694	694	97.7
Mkt Pulp at Ppr. & Bd. Mills *	550	484	497	484	471	482	482	-16.5
Waste Paper at Paper &Bd. Mills	920	1025	993	1025	1036	1003	1003	9.8
Days of Supply at Pulp Mills of Chemical Paper Grade Mkt Pulp	26	50	42	50	50	48	48	108.7

SOURCES: Wood Pulp Data, Pulp Division, Pulp, Materials and Technology Group, API. Waste Paper Data, Paper Recycling Committee, API.
* - Census data prior to 1983; P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons

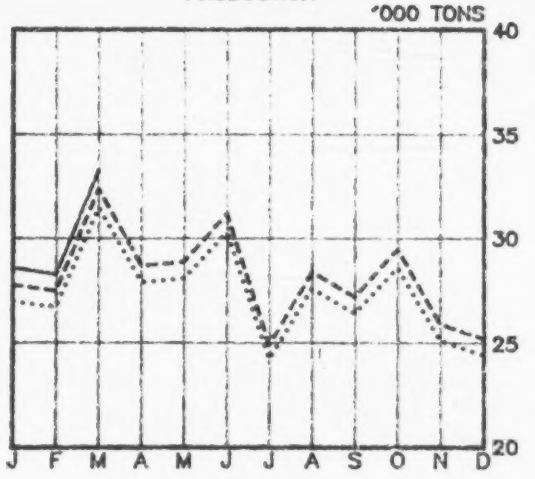
BLEACHED BRISTOLS

PRODUCTION



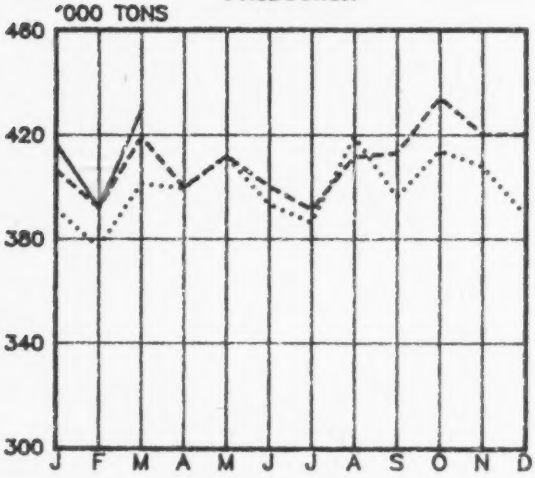
THIN PAPER

PRODUCTION



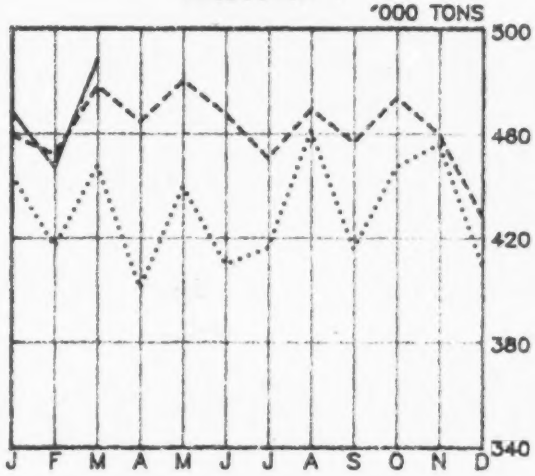
TISSUE PAPER

PRODUCTION



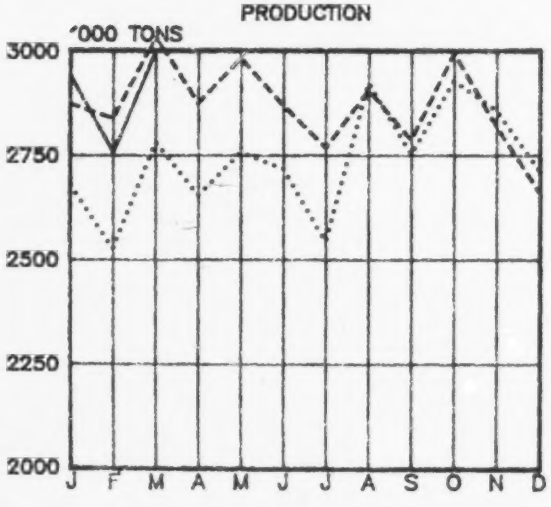
NEWSPRINT

PRODUCTION



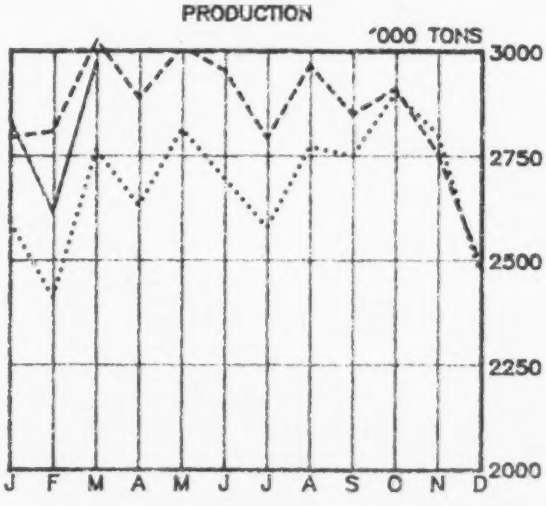
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1983 ····· 1984 - - - - - 1985 ——

F I B R O U S R A W M A T E R I A L S
(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1983	YEAR 1984	NOV. 1984	DEC. 1984	JAN. 1985	FEB. 1985	Annual Rate Y-T-D 1985	% Change from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	84475	88248	6996	7000	7407	6999	86436	-0.5
	- Total Consumpt	85442	87646	7153	6875	7413	6981	86364	-0.6
	- Residues *	32755	32072	2571	2427	2425	2407	28992	-10.0
	- Inventories	5229	5574	5314	5574	5552	5453	5453	5.0
So. Atlantic	- Total Receipts	25736	27654	2372	2281	2354	2312	27996	8.6
	- Total Consumpt	25847	27344	2323	2382	2325	2270	27570	4.7
	- Residues *	7904	8198	682	638	628	710	8028	0.2
	- Inventories	1163	1444	1333	1444	1478	1450	1450	37.8
Northeast	- Total Receipts	7051	7435	611	616	690	640	7980	-1.1
	- Total Consumpt	7274	7474	560	613	682	628	7860	-0.8
	- Residues *	1199	1501	126	147	123	121	1464	10.9
	- Inventories	577	590	545	590	606	664	664	6.9
South Central	- Total Receipts	29409	30693	2310	2492	2503	2353	29136	1.4
	- Total Consumpt	29152	30502	2529	2444	2571	2439	30060	3.0
	- Residues *	9218	9059	749	705	747	749	8976	2.5
	- Invsntories	1536	1304	1287	1304	1186	1022	1022	-29.8
North Central	- Total Receipts	6265	6859	523	513	697	596	7758	-1.2
	- Total Consumpt	6343	6563	532	467	559	500	6354	-5.1
	- Residues *	1822	1472	116	91	126	102	1368	-8.1
	- Inventories	851	906	848	906	1016	1064	1064	7.8
West	- Total Receipts	16014	15607	1180	1098	1163	1098	13566	-17.4
	- Total Consumpt	16826	15763	1209	1169	1276	1144	14520	-13.3
	- Residues *	12612	11842	898	846	801	725	9156	-27.5
	- Inventories	1102	1330	1301	1330	1266	1253	1253	16.3

* - Consumption of Residues in Cord Equivalents. SOURCE: American Pulpwood Association 26-Apr-85

U N I T E D S T A T E S T R A D E W I T H C A N A D A
IMPORTS FROM CANADA

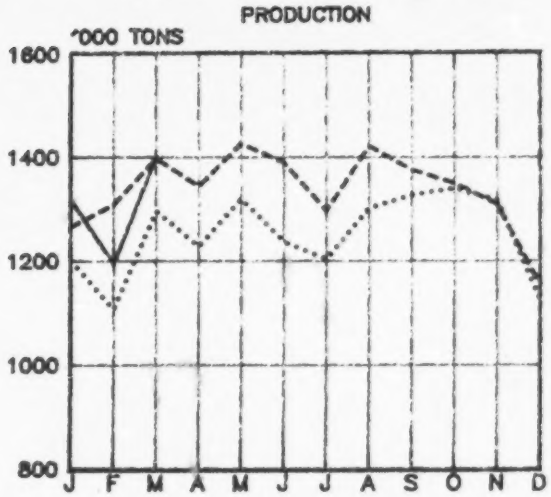
	YEAR 1984 Tons	YEAR 1984 $000's	JAN. 1985 Tons	JAN. 1985 $000's	FEB. 1985 Tons	FEB. 1985 $000's	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	207520	10591	10768	531	4352	198	90720	-38.4
Pulpwood chips	2061270	45353	105297	2511	89677	2547	1169844	-53.7
Wood Pulp, Total	4059913	1678908	294679	118715	362944	136010	3945738	-6.6
Waste Fibrous Materials, Total	151957	25187	11927	2190	11394	2016	139924	-10.8
Paper, Board & Products, Total	9401285	4048656	745031	333618	775727	343876	9124546	.0
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	9130954	3927255	719587	325367	770298	334830	9059305	.0
Paper, Paperboard & Products	8948073	3946084	726545	329435	742886	336841	8816585	0.5
Paper & Paperboard, Only	8877742	3824684	721100	321184	737457	327795	8751344	0.5
Paper, Total	8662094	3762205	710781	318317	724302	324058	8610493	1.9
Newsprint	7681341	3224596	633702	276074	646049	281413	7678506	1.4
Printing, Writing & Rel. Pap.	852879	457438	65170	35313	65503	34671	784038	3.9
Pack. & Ind. Conv. Paper	101131	59408	8766	4829	7713	4553	98872	-9.6
Special Industrial Paper	3232	5437	205	307	165	240	2222	-33.2
Tissue Paper	23512	15326	2937	1793	4872	3182	46855	316.8
Paperboard, Total	215648	62479	10320	2867	13156	3737	140851	-45.6
Convtd Paper&Paperbd Products	70331	121401	5445	8252	5429	9046	65240	1.5
Wet Machine Board	2098	1426	93	69	66	44	952	-65.3
Construction Paper & Board	451113	101146	18393	4114	32775	6991	307009	-11.6

Pulpwood, Roundwood (in cords of 128 cubic feet)	95117	5698	2548	161	1330	71	23268	-37.5
Pulpwood chips	28445	1544	3636	247	3840	304	44856	203.2
Wood Pulp, Total	180850	82653	14055	6190	23496	9550	225306	33.0
Cotton Pulp & Other Pulp	10474	6605	2470	552	875	515	20070	52.3
Waste Paper	325712	37937	21899	2699	18381	2329	241680	-18.7
Paper, Board & Products, Total	756499	524570	57125	43433	61540	42324	711989	-0.9
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd.	569696	358082	45821	31382	45983	30719	550826	10.9
Paper, Paperboard & Products	726888	511454	55160	42503	59473	41426	687800	-1.0
Paper & Paperboard, Only	540085	344966	43857	30452	43916	29821	526637	11.4
Paper, Total	296791	245610	23053	21038	24947	21738	288005	2.2
Newsprint	4493	3678	352	194	198	203	3298	-27.6
Printing, Writing & Rel. Pap.	137839	125802	12203	11724	13266	12373	152811	8.4
Pack. & Ind. Conv. Paper	46661	26918	5098	2808	4556	2236	57926	56.5
Special Industrial Paper	104039	85328	5184	5998	6759	6691	71662	-25.4
Tissue Paper	3758	3883	216	314	169	235	2308	-27.5
Paperboard, Total	243294	99357	20803	9414	18969	8083	238633	25.0
Convtd Paper&Paperbd Products	186803	166488	11304	12051	15557	11604	161163	-27.4
Wet Machine Board	5312	3707	497	379	495	336	5950	117.5
Construction Paper & Board	24299	9459	1468	551	1572	563	18239	-13.6

SOURCE: Bureau of Census, Department of Commerce . E - Estimate of tonnage based on square foot data 26-Apr-85

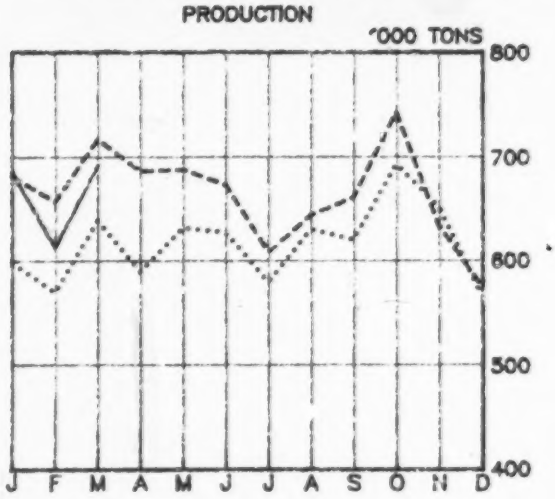
UNBLEACHED KRAFT LINERBOARD

PRODUCTION



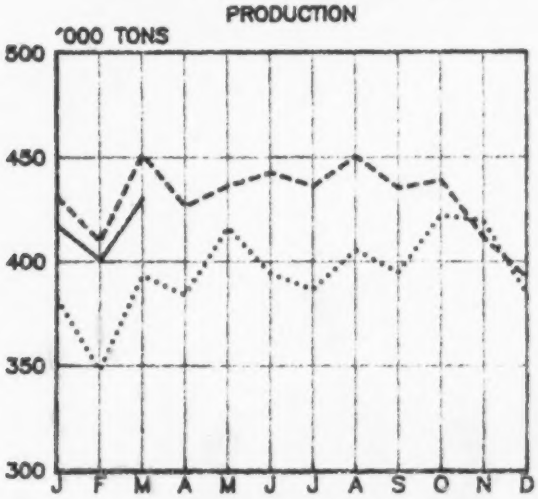
RECYCLED PAPERBOARD

PRODUCTION



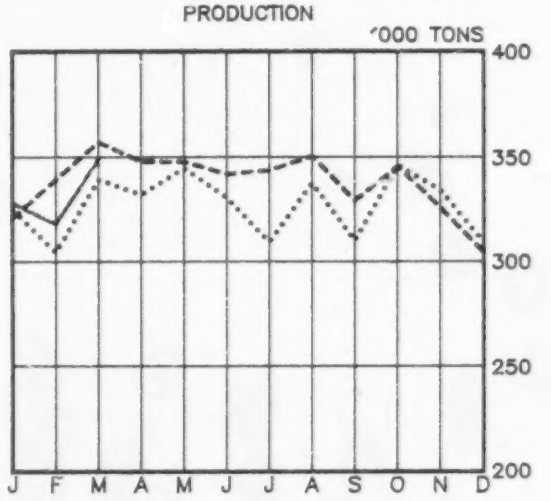
SEMICHEMICAL PAPERBOARD

PRODUCTION



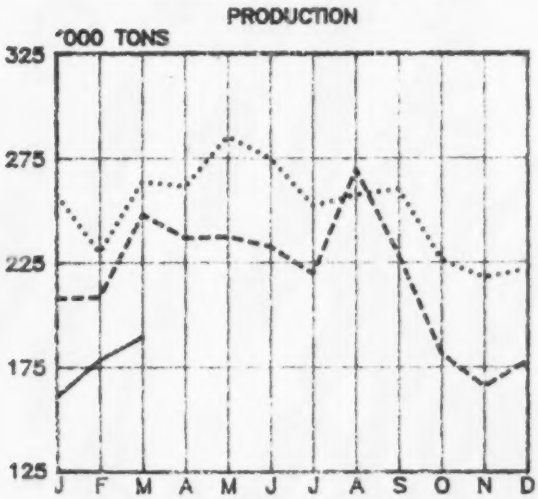
SOLID BLEACHED PAPERBOARD

PRODUCTION



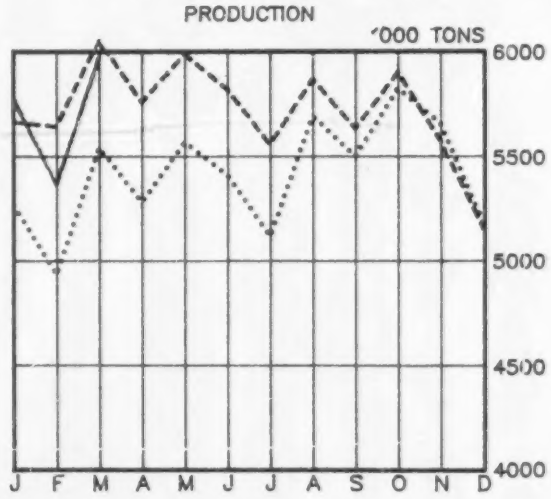
PAPERBOARD FOR EXPORT

PRODUCTION



TOTAL PAPER AND PAPERBOARD

PRODUCTION



1983 ····· 1984 - - - - - 1985 ——

IMPORTS

	YEAR 1984 Tons	$000	JAN 1985 Tons	$000	FEB 1985 Tons	$000	(1) Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulpwood Roundwood (cords)	207733	10615	10768	531	4377	200	90870	-38.3
Pulpwood Chips	2062545	45396	105314	2513	89695	2550	1170054	-53.7
Total All Imports	15739471	7204351	1245400	590052	1297281	591162	15256081	0.7
Wood Pulp Total	4490081	1844768	312733	125251	380467	141143	4159200	-8.5
Waste Paper	109712	11692	5591	655	6953	795	75264	-27.3
Other Fibrous Materials	64367	24097	8215	2510	5918	1976	84797	26.6
Paper Board & Products Total	11075312	5323794	918861	461636	903943	447248	10936820	4.8
Paper Paperboard Wet Machine Bd. & Construction Paper & Board	10854312	4781475	899368	418503	885278	403080	10707878	4.6
Paper Ppbd & Prds ex Cnst&MMB	10575656	5207697	895723	455852	866855	438529	10575466	5.2
Paper & Paperboard Only	10354656	4665378	876230	412718	848190	394361	10346524	5.0
Paper Total	10112041	4591486	862879	408575	831504	389500	10166302	6.2
Newsprint	7893877	3299570	668178	291688	658698	286212	7961256	3.3
Printing & Writing	2042368	1168989	178585	106033	156310	91797	2009374	19.1
Uncoated Groundwood	1090049	548791	96894	49480	82496	41574	1076339	25.3
Coated Print.& Impreg. Pap.	428274	295844	53718	39573	48068	34594	610716	125.8
Uncoated Free Sheet	476950	284057	26171	15235	24101	13844	301631	-39.6
Uncoated Book	254926	156296	13598	7835	11731	6884	151973	-44.2
Writing and Similar Paper	222024	127761	12573	7401	12370	6960	149658	-34.0
Thin (except Cigarette)	46427	39513	1696	1675	1565	1676	19562	-66.3
Bristols	667	784	107	70	80	108	1126	41.1
Total Pkg & Other Paper	145484	102565	12900	8774	11330	8105	145376	-13.7
Unbleached Kraft Paper	42854	19568	3669	1476	3191	1375	41164	-38.7
Other Pkg. & Indust. Paper	102629	82997	9231	7298	8138	6731	104213	2.8
Tissue	30312	20362	3216	2081	5167	3386	50296	303.2
Paperboard, Total	242615	73892	13351	4143	16686	4861	180223	-36.0
Test or Containerboard	70028	22218	3497	1125	4251	1501	46489	-40.8
Semi-Chemical Corrugating	103968	26098	3643	891	5594	1236	55421	-58.1
Other Paperboard	68620	25576	6211	2127	6841	2124	78313	10.4
Convtd Paper&Paperbd Products	221000	542319	19493	43134	18664	44168	228942	18.1
Paper Products, Total	186199	474151	17249	38961	17254	41149	207015	23.0
Paperboard Products, Total	34800	68168	2244	4173	1411	3019	21927	-14.5
Wet machine Board	2826	2017	233	171	167	115	2400	-36.9
Construction Paper & Board	496830	114080	22905	5614	36921	8604	358954	-5.9
Notes								
Other: No Weight Avail. ($000)		195737		16358		14704	186373	1.5
Total Imports Incl. Other($000)		7400088		606410		605866	7273656	8.1

EXPORTS

							(1)	
Pulpwood, Roundwood (cords)	95441	5714	2548	161	1330	71	23268	-40.6
Pulpwood Chips	2325213	164058	185368	13413	173489	13544	2153142	-1.4
Total All Exports	11300450	4524778	942586	372092	775985	295097	10311422	-2.4
Wood Pulp,Total	3593585	1501948	300818	121968	222598	84335	3140496	-9.3
Cotton Pulp and Other Pulp	84883	63545	10474	5908	6215	4505	100134	-11.0
Waste and Old Paper	3235441	408128	284450	32453	254232	29753	3232092	9.3
Paper, Board & Products,Total	4386541	2551157	346844	211763	292940	176505	3838700	-4.8
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	3818804	1789129	301853	148562	248159	124697	3300071	-3.3
Paper, Ppbd & Prod ex Cnst&MMB	4308873	2507184	340775	207853	286901	172943	3766052	-4.8
Paper & Paperboard, Only	3741136	1745156	295784	144652	242120	121135	3227424	-3.2
Paper, Total	810547	632490	67060	50530	72681	54337	838450	11.5
Newsprint	306198	133964	27947	11569	30285	11690	349388	28.6
Printing & Writing	203156	219922	17606	18546	19321	20069	221558	5.5
Uncoated Groundwood	30405	28875	3391	3193	3222	2726	39682	63.4
Clay Coated Paper	85714	71365	6724	5892	6505	5477	79374	-20.8
Uncoated Free Sheet	65410	87255	6082	7323	7921	9561	84014	28.5
Other Printing , Writing	21627	32427	1408	2138	1673	2305	18488	-8.7
Total Pkg. & Other Paper	284185	259323	20775	19295	21377	20276	252911	-1.7
Unbleached Kraft	106712	44382	7544	3363	6040	2998	81505	-18.2
Other Pkg. & Indust. Paper	177473	214941	13230	15932	15338	17278	171407	8.7
Tissue	17009	19281	734	1121	1699	2302	14593	13.4
Paperboard, Total	2930588	1112666	228724	94123	169438	66798	2388974	-7.5
Solid Wood Pulp	2761732	1040239	214643	86532	143952	58828	2151567	-12.7
Total Linerboard	2052523	626716	154920	50801	100834	31870	1534526	-13.9
Bleached Kraft Linerboard	141367	57788	14240	7738	7726	3763	131795	-32.0
Unbleached Kraft Linerbd	1911155	568928	140681	43064	93108	28107	1402732	-11.7
Other Unbleached Kraft	110878	51270	6879	3301	3955	1913	65005	-35.3
Other Bleached Kraft	548721	350033	47494	30871	36978	24381	506828	-10.2
Semi-Chemical Corrugating	49612	12220	5350	1559	2185	664	45208	140.0
Recycled Paperboard	168856	72427	14081	7591	25486	7971	237407	101.7
Convtd Paper&Paperbd Products	567737	762028	44990	63200	44781	51808	538628	-13.3
Paper Products, Total	286403	516149	20012	40797	22191	33801	253214	-21.3
Paperboard Products, Total	281334	245879	24979	22404	22591	18007	285415	-4.7
Wet Machine Board	13782	7335	1012	580	1180	621	13150	23.9
Construction Paper & Board E	63887	36638	5057	3330	4859	2940	59497	-10.3
Notes								
Other: No Weight Avail. ($000)		8843		653		453	6632	19.0
Total Exports Incl. Other($000)		4533621		372745		295550	4009768	-3.3

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Incl. estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PRODUCER PRICE INDEXES
1967 = 100

	1983	1984	DEC.	JAN.	FEB.	MAR.	Annual Rate Y-T-D 1985	% Change from same Period Last Year
Pulp, Paper and Products except Building Grades	271.4	292.9	298.4	297.8	297.4	295.4	296.9	4.5
Pulp Paper & Products, ex. Building Grades & ex Waste Paper *	273.3	293.8	300.0	299.6	299.2	297.5	298.8	4.8
Total Wood Pulp	347.1	395.0	392.7	383.5	368.4	353.9	368.6	-0.7
Total Paper	282.3	303.2	307.1	307.0	304.7	303.7	305.1	2.9
Total Paper, exc. Newsprint	277.0	301.2	302.2	303.0	299.7	298.4	300.4	1.1
Newsprint	303.0	324.1	336.9	336.9	332.4	332.4	333.9	7.1
Total Paperboard	250.8	280.6	292.4	288.9	287.8	285.7	287.5	7.1
Total Paper and Paperboard *	272.4	296.1	302.5	301.3	299.4	298.1	299.6	4.1
Converted Products	265.4	280.7	288.0	289.0	291.0	290.4	290.1	6.5
Waste Paper	158.6	240.1	206.0	190.8	192.6	170.2	184.5	-19.0
All Commodities	303.1	310.4	309.9	309.8	309.2	308.7	309.2	.0
Industrial Commodities	315.7	322.6	323.0	323.2	322.5	322.6	322.8	0.7

SOURCE: Producer Price Indexes: Bureau of Labor Statistics, U.S. Department of Labor * Computed by API

continued from page 11

Expenditures on New Plant and Equipment
by Paper and Allied Products Companies

	Revised Data (billion dollars)	Original Data (billion dollars)	Revised Constant Dollar Data (billion dollars, 1972 prices)
1974	2.88	2.89	2.52
5	2.93	2.98	2.22
6	2.99	3.11	2.15
7	3.48	3.60	2.38
8	3.80	3.99	2.42
9	5.24	5.55	3.06
1980	6.52	6.80	3.53
1	6.11	6.72	3.08
2	5.60	5.97	2.73
3	5.92	6.18	2.87
4	7.15	7.42	3.40

continued on page 12

papers in the January-February 1985 period were 126% above those of the first two months of 1984, and the rate of imports, at 611 thousand tons per year, compared with 428 thousand tons imported in all of 1984

CAPITAL EXPENDITURES

Newly-revised data on expenditures for new plant and equipment by paper and allied companies show the 1984 rate at $7.15 billion and the estimated 1985 rate at at $7.83 billion; earlier reports put the 1984 total at $7.42 billion and the 1985 estimate at $8.43 billion.

These data were reported by the Bureau of Economic Analysis of the Department of Commerce, based on its regular sample survey of all corporations in the United States. This downward revision was the result of a realignment to benchmark data to the results of the 1972 Census of Manufactures. This new benchmark indicated that their previous estimates of expenditures on new plant and equipment by paper and allied products companies for most of the years since 1972 were somewhat on the high side. The current lower estimates are more in line, but still above, the levels indicated by the American Paper Institute's own studies on capital expenditures for the production of paper and allied products.

The lower table on page 10 presents both the original and revised data on new plant and equipment expenditures by paper and allied products companies published by the BEA for the years 1974 through 1984 The table also shows the new BEA constant dollar figures for this period. This latter column highlights the impact of increases in capital goods prices on capital expenditures by these companies. It shows, for example, that after price adjustments, the 1984 level of expenditures was 35% ahead of that of 1974, compared to a 148% increase in current dollar expenditures.

IMPORTS AND EXPORTS

Total tonnage imports of paper, paperboard and products in the first two months of 1985 were 4.8% above the comparable year-ago figures, as show in the table on page 9. This rate is slightly above that reached in the fourth quarter of 1984. Imports of wood pulp, however, were down a bit, with the two-month 1985 total 8.5% below that of a year ago. The total value of imports in the first two months of 1985 were at an annual rate of $7.3 billion, 8.1% above the comparable 1984 total.

Exports of paper, paperboard and products showed a somewhat different trend, with the January and February tonnage total 4.8% below that of a year ago and the total of all exports including waste paper, down 2.4%. Exports of waste paper continued strong, showing a 9% increase in the first two months of 1985 over the comparable 1984 total.

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The dollar rate of exports in the first two months of 1985 was $4.0 billion per year, 3.3% below the comparable year-ago figure.

WOOD PULP

Production of chemical paper grade market wood pulp in the first three months of 1985 was 4.5% above the comparable 1984 total. Shipments of these grades, however, were down by 6.4% as inventories at market pulp mills more than doubled (see page 5). The decline in shipments extended to both the domestic and export markets: domestic shipments dropped 10%, export shipments 3%. However, within the export total, there was a 20% increase in export shipments to"other" markets, which are all markets excluding Western Europe and Japan. Shipments to Western Europe fell by 12%, shipments to Japan by 16%.

Production of all paper grade wood pulp in the January February 1985 periods was within 1% of the comparable year-ago total.

SALES AND EARNINGS

Data published in the press on sales and earnings of 32 paper companies indicate that total sales of these companies in the first quarter of 1985 was 1.0% above the comparable 1984 level. Total earnings for these companies were up by 2.9%, with a 4.4% margin on sales in this period. The first quarter 1984 margin on sales for these companies was 4.3%.

Although the first quarter 1985 sales figures showed a small gain over the year ago level, they represented a 7% decline from the depressed levels of the fourth quarter of 1984. Large write-offs were taken by some of the major companies in the fourth quarter.

The total sales of these companies were equivalent to nearly 70% of the sales total reported by the Bureau of the Census. The attached industry data sheets show the sales, earnings, depreciation and net worth data for paper and allied products companies for the last three quarters of 1984 and the year 1984 as a whole, as reported in the Census report. The $493 million figure on the earnings for the fourth quarter of 1984 represents a correction from the figure published previously, as does the $3,015 million earnings total for 1984.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

April 30, 1985

PRODUCTION (000 TONS)

	Mar. 85	Feb. 85	Mar. 84	Jan. - Mar. 85	Jan. - Mar. 84	% Change 85/84
PAPER GRADES	P	R				
Newsprint	489	447	478	1404	1390	1.0
Printing & Writing	1628	1484	1623	4711	4675	0.8
Uncoated Groundwood (s)	135	119	140	380	403	-5.9
Coated Paper (s)	535	498	531	1594	1551	2.8
Uncoated Free Sheet Paper (s)	820	751	814	2365	2353	0.5
Thin Paper (s)	33	28	32	90	88	2.9
Cotton Fiber Paper (s)	11	11	13	33	37	-9.0
Bleached Bristols (s)	93	77	93	249	243	2.1
Tissue Paper	430	392	419	1238	1218	1.7
Total Pkg & Other Paper	455	433	516	1345	1468	-8.4
Unbleached Kraft Packaging & Indl. Converting (s)	296	293	339	891	959	-7.1
Other Paper *	160	140	177	454	509	-10.9
TOTAL PAPER	3001	2757	3037	8699	8750	-0.6
PAPERBOARD GRADES						
Unbleached Kraft Paperboard	1504	1283	1502	4193	4266	-1.7
Unbleached Kraft Linerboard	1401	1193	1397	3910	3972	-1.5
Other Unbl. Kraft Paperboard	103	90	106	283	294	-3.8
Semichemical Paperboard	430	400	452	1248	1292	-3.4
Bleached Paperboard	350	318	358	996	1019	-2.2
Recycled Paperboard	693	613	717	1992	2056	-3.1
TOTAL PAPERBOARD	2976	2615	3029	8429	8633	-2.4
TOTAL PAPER AND PAPERBOARD	5978	5372	6066	17127	17383	-1.5

WOOD PULP (ALL GRADES)	Feb. 85	Jan. 85	Feb. 84	Jan. - Feb. 85	Jan. - Feb. 84	% Change 85/84
Dissolving & Special Alpha	118	86	106	204	203	0.2
Bleached Sulfite	102	121	105	223	213	4.7
Unbleached Sulfite	18	19	24	36	49	-26.1
Bleached & Semi-Bl. Sulfate	1803	1923	1822	3726	3604	3.4
Unbleached Sulfate	1562	1654	1693	3216	3371	-4.6
Semichemical	325	341	325	666	674	-1.1
Groundwood & Thermomechanical	432	452	454	884	916	-3.5
TOTAL PULP DIVISION DATA	4359	4595	4529	8954	9029	-0.8

(s) - Shipments
P - Preliminary
R - Revised

April 31, 1985

	Full Year		INDUSTRY DATA 1984-1985 R	R	P	Ann. Rate Year - To - Date	% From Same Pd. Last Year
PAPER AND PAPERBOARD -- Tons (000)	1983	1984	January	February	March	1985	
Total Production (API).....: excluding :...	65017	68681	5778	5372	5978	68510	-1.5
Total Seasonally Adjusted....:construction:...			5816	5640	5570	68106	-0.3
Imports (including Products).: and wet :..E	8509	10576	896	867	1046	11234	12.7
Exports (including Products).: machine :..E	4501	4309	341	287	355	3934	-6.5
Apparent Consumption.....: grades :...	69025a	74948b	6333	6220.4	6260	75407c	1.8
Paper Production % Tonnage Capacity.....	92.0g	93.4g	90.7	94.9	93.4	93.3gh	-
Paperboard Production % Tonnage Capacity.....	90.8g	95.7g	90.7	92.5	95.4	93.5g	-
			December	January	February		
IMPORTS.....:Including Construction and :...	8985	11075	843	919	904	10937	4.8
EXPORTS.....: WMB Grades (excl. HPB) :...	4568	4387	307	347	293	3838	-4.8
MARKET WOOD PULP PRODUCTION - Tons (000).....	6478	6891	548	579	588	7002	5.7
TOTAL WOOD PULP PRODUCTION - Tons (000)..(f)....	52537	55549	4340	4595	4359	53724	-0.8
WOOD PULP IMPORTS - TONS (000).....	4093	4490	416	313	380	4158	-8.5
WOOD PULP EXPORTS - TONS (000).....	3644	3594	311	301	223	3144	-9.2
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS : excluding :			December	January	February		
Wood Pulp.....:consumption for:.....	51434	54641	4314	4466	4249	52287	-2.8
Waste Paper.....:construction & :.....	14696	15889	1513	1355	1206	15366	-1.3
TOTAL.....: WMB grades :.....	66130	70530	5827	5820	5455	67653	-2.4
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	83608	87646	6875	7413	6981	86364	-0.6
EMPLOYMENT (000)			January	February	March		
Paper and Allied Products.....Total.....	661.6	682.3	679.5	678.0	679.4	679.0	0.7
Pulp, Paper and Board Mills.....Total.....E	258.2	263.9	263.6	262.7	262.9	263.1	0.5
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)							
Paper and Allied Products.....	9.94	10.44	10.67	10.68	10.69	10.68	4.4
Pulp, Paper Mills.....E	11.70	12.45	12.84	12.80	12.82	12.82	5.8
Paperboard Mills.....E	12.11	12.99	13.13	13.30	13.20	13.21	4.7
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1984 Q3	1984 Q4	1985 Q1		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)*	5.92	7.15	7.33	7.99	7.58	7.83y	9.5
INDEX OF OUTPUT PER MAN-HOUR (1977=100).....			January	February	March		
:IN PULP, PAPER :...Production Workers.....	118.0	120.0	123.6	120.9	119.3	121.3	.0
:AND BOARD MILLS:...All Employees.....	116.9	118.8	121.8	119.0	117.6	119.5	-1.0
PAPER AND ALLIED PRODUCTS (Million $)			December	January	February		
Industry Shipments (Dept. of Commerce)*.....	85662	95990	8329	8110	8072	97092	4.1
Pulp, Paper and Paperboard*.....	36346	41539	3634	3491	3523	42084	4.0
Inventories (End of Period) - Total Industry*..	8729	9701	9701	9908	9857	9857	10.6
Pulp, Paper and Paperboard*.....	3263	3662	3662	3791	3773	3773	14.6
			1984 Q2	1984 Q3	1984 Q4		
Sales (Corporations Only).....	65008	71891	18694	18096	17642	-	-
Earnings (Corporations Only).....	2327	3015	942	951	493	-	-
Depreciation (Corporations Only).....	2607	2798	699	706	700	-	-
Net Worth (Corporations Only).....	27219	29160	28130	28806	28160	-	-
PRICE INDEXES (Bureau of Labor Stats)1967=100			January	February	March		
Pulp, Paper & Products, ex. Building Grades....	271.4	292.9	297.8	297.4	295.4	296.9	4.5
Wood Pulp.....	347.1	395.0	383.5	368.4	353.9	368.6	-0.7
Waste Paper.....	N.A.	240.1	190.8	192.6	170.2	184.5	-19.0
Paper.....	282.3	303.2	307.0	304.7	303.7	305.1	2.9
Paperboard.....	250.8	280.6	289.9	287.8	285.7	287.5	7.1
PAPER DEMAND (INDEXED: 1967=100)			January	February	March		
Total Paper Production *.....	157.2	164.3	169.4	165.0	160.0	164.8	0.6
Paper New Supply *.....	147.2	160.1	165.1	160.0	164.0	163.0	3.5
Total End - Use Index *.....	157.8	172.5	176.6	176.8	176.8	176.7	5.0
Production of Nondurable Goods *...(19%)...	168.0	179.4	179.7	179.1	179.5	179.4	1.6
Disposable Income (Constant $) *...(23%)...	163.4	174.6	178.1	178.5	178.5	178.4	4.1
Total Printing and Publishing *...(58%)...	152.3	169.4	175.0	175.3	175.3	175.2	6.5
Trend Factor	<----------	----------	----------	Not Available	----------	----------	----------
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production *.....	141.4	150.1	150.5	145.3	146.2	147.3	-1.2
Production for Domestic Use	138.5	146.9	149.1	135.8	155.3	146.7	0.7
Total End - Use Index *.....	148.9	161.6	162.5	161.7	162.1	162.1	1.9
Production of Consumer Goods *...(60.49%)	151.8	161.6	162.5	161.1	161.3	161.6	1.2
Production of Equipment *...(6.62%)	140.8	164.0	172.9	172.9	173.0	172.9	11.0
Production of Materials *...(32.89%)	145.2	161.1	160.5	160.6	161.3	160.8	1.3
Trend Factor	<----------	----------	----------	Not Available	----------	----------	----------
NEWSPRINT MARKETS			December	January	February		
Consumption by Publishers - Tons (000).....	11671	12611	1101	969	941	11460	0.3
Newspaper Pub. and Printing Empl. Total(000)...	421.6	443.0	452.7	450.3	450.9	450.6	3.2
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	10135	11761	13673	9261	11852	126674	5.0
WHOLESALERS SALES AND INVENTORIES (Million $)(j)							
Total Paper & Pap. Prdcts.,ex Wallpaper..Sales	22776	26532	2623	2805	2595	32400	11.3
Inventories (End of Period).	1885	2241	2724	2782	2952	2852	18.8
FIBRE BOX DATA (Fibre Box Association)			January	February	March		
Fibre Box Shipments (Million square feet).....	252539	248538	22927	20151	21708	259144	-3.8
Container'bd Inventory at Mill & Plant(000Tons).	2437	2882	2970	2959	2969	2969	21.3
RETAIL TRADE (Million $)							
Total Retail Sales *.....	1171915	1291835	110972	112736	110541	1336996	5.7
Nondurable Goods Stores Sales *.....	793398	841417	70350	71422	70229	848004	2.5
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)*..	147.6	163.3	165.2	164.9	165.4	165.2	3.4
PRODUCER PRICES(ALL COMMODITIES)(INDX 1967=100)..	303.1	310.4	309.8	309.2	308.7	309.2	.0
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)...	298.4	311.1	316.1	317.4	318.8	317.4	3.4
			December	January	February		
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion $)..	387.9	461.0	447.8	461.0	464.9	464.9	15.5
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions$)..			1984 Q3	1984 Q4	1985 Q1		
G.N.P. or Expenditure - Current $.....	3304.8	3664.2	3694.6	3764.2	3819.9	3819.9	7.5
G.N.P. or Expenditure - 1972 $.....	1534.7	1619.9	1645.2	1664.8	1668.0	1668.0	3.5

lb/capita

Pap&Papbd Othr Totl Popul(mil)

.a - 589 + 18 = 607 234.2

.b - 631 + 18 = 649 234.9

.c - 638 + 18 = 656 234.9

.E - Last month estimated by API

.e - estimated by API

g - Adjusted for holiday shutdowns

h - Adjusted to conform with API Division data

j - Census unpublished data; standard dev. = 6-8%

N.A. - Not Available

P - Preliminary

Q - Quarter

R - Revised

RS - Revised Series

y - Full year estim. by U.S. Dept. of Com.

First 3 Qts. Annual Rate

As of the end of third Quarter.

* - Seasonally Adjusted